

Message Text

LIMITED OFFICIAL USE

PAGE 01 GENEVA 02468 221601Z

53

ACTION EB-11

INFO OCT-01 EA-11 IO-14 ISO-00 AGR-20 CEA-02 CIAE-00

COME-00 DODE-00 FRB-02 H-03 INR-10 INT-08 L-03 LAB-06

NSAE-00 NSC-07 PA-04 RSC-01 AID-20 CIEP-02 SS-20

STR-08 TAR-02 USIA-15 PRS-01 SP-03 FEA-02 OMB-01

SWF-02 TRSY-11 DRC-01 (ISO) W
----- 017389

R 221535Z APR 74

FM USMISSION GENEVA

TO SECSTATE WASHDC 5274

INFO AMEMBASSY WELLINGTON

LIMITED OFFICIAL USE GENEVA 2468

PASS STR

E.O. 11652: N/A

TAGS: ETRD, GATT, NZ

SUBJECT: GATT ARTICLE 28 - NEW ZEALAND

REF: WELLINGTON 0806 AND TSC DOC 73-59

1. BY LETTER DATED APRIL 19 (BEING POUCHED STR-GARLAND), NZ (A) REJECTS US CLAIM OF SUBSTANTIAL SUPPLIER INTEREST IN ITEM 37.02.009 SENSITIZED POLYESTER FILM BECAUSE US SUPPLIES LESS THAN 6 PERCENT NZ IMPORTS OF THIS ITEM; (B) REAFFIRMS NZ OCT 5, 1973 CALCULATION OF COMPENSATION DUE IS \$NZ 3,051,967; (C) TAKES NOTE OF US OBSERVATION THAT DUTY FREE BINDING OF 73.24.000 IS OF NO VALUE AND ACCORDINGLY HAS REMOVED ITEM FROM PROPOSED COMPENSATION PACKAGE; (D) ACCEPTS US VALUATION AT ONE-THIRD OF TRADE COVERAGE FOR ITEMS 37.03.101 AND 109, I.E. \$NZ 106,822 CREDIT TOWARD SETTLEMENT; AND (E) STATES GAP TO BE FILLED IS \$NZ 622,944. TO FILL THIS, NZ MAINTAINS OFFER TO
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 GENEVA 02468 221601Z

REDUCE RATE FROM 45PERCENT TO 40 PERCENT (BUT REJECTS REQUESTED

50 PERCENT CUT) ON ITEM 84.19.059 WITH FULL VALUE FOR TRADE COVERAGE PER LATEST STATISTICS AT \$544,576 PLUS NEW CONCESSION ON 29.06.009 (PHENOLS AND PHENOL ALCOHOLS, OTHER) WITH 50 PERCENT CUT FROM PRESENT 20 PERCENT RATE, TRADE VALUE \$NZ 71,674 LEAVING "INSIGNIFICANT" BALANCE DUE \$NZ 6,744.

2. LETTER ALSO STATES NZ INTENTION IS TO OFFER US INR ON ALL ITEMS IN COMPENSATION PACKAGE EXCEPT 84.30.011 AND 84.49.001 FOR WHICH KR GLOBAL BINDING IS PROPOSED.

3. DELAY IN FORMAL NZ RESPONSE TO US MID-NOVEMBER REQUEST LIST IS RESULT OF UNSUCCESSFUL EFFORT BY US AND NZ MISSION OFFICERS TO FIND WAY TO RESOLVE DIFFERENCES WHICH BOTH COULD RECOMMEND TO RESPECTIVE AUTHORITIES. WE MET WITH NZ (FALCONER) MARCH 29 AND URGED SUBSTANTIALLY DEEPER CUT THAN 5 POINTS ON 84.19.059 IN RETURN FOR WHICH WE WOULD RECOMMEND US ASCRIBE SOME TRADE VALUE TO 73.24.000 AND THUS FILL GAP WITHOUT PROLONGED DEBATE ABOUT VALIDITY OF US CLAIM ON 37.02.009. FALCONER PERSONALLY RECEPTIVE TO THIS APPROACH AND AGREED DISCUSS WITH NZ TRADE MINISTER VISITING GENEVA MID-APRIL. LATTER, HOWEVER, DECLINED MODIFY OR SEEK CHANGE IN RECOMMENDATIONS OF NZ TARIFF BOARD CONCERNING TOLERABLE CUT IN ITEM 84.19.059. APRIL 19 LETTER THUS REAFFIRMS NO CHANGE IN NZ POSITION EXCEPT NEW CONCESSION ON PHENOLS.

4. BEARING IN MIND SLOW PACE WITH WHICH NZ HANDLES THESE MATTERS, MISSION REGRETS REPORT IT IS LIKELY TAKE MANY MORE MONTHS TO SETTLE THIS CASE IF US UNWILLING ASCRIBE FULL TRADE VALUE TO 5-POINT CUT IN 84.19.059 AND IF OFFER ON PHENOL NOT OF INTEREST AT FULL VALUE. INSTRUCTIONS REQUESTED.DALE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FILMS, TARIFF NEGOTIATIONS, TARIFF CONCESSIONS, ALCOHOLS
Control Number: n/a
Copy: SINGLE
Draft Date: 22 APR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974GENEVA02468
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740094-0321
From: GENEVA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740425/aaaaaaweb.tel
Line Count: 93
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: WELLINGTON 0806 AND TSC DOC 73-59
Review Action: RELEASED, APPROVED
Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
Review Date: 17 JUN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <17 JUN 2002 by rowelle0>; APPROVED <08-Aug-2002 by MorefiRH>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GATT ARTICLE 28 - NEW ZEALAND
TAGS: ETRD, NZ, GATT
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005